

Current Report No. 21/2022

Date: 2022-05-18

Re: Merger Plan between ACTION S.A. and a Company forming part of ACTION Capital Group

Legal basis: Article 17(1) MAR – public disclosure of inside information

Content of the Report:

The Board of Directors of ACTION S.A. (hereinafter: “the Company”, or “the Issuer”) with reference to the Current Report No. 8/2022 dated 4th March 2022 containing an information about the Board’s decision by which it intended to merge ACTION S.A. with its subsidiary, hereby informs that earlier today the boards of both companies has agreed on and signed a merger plan between ACTION S.A. and ACTIVEBRAND Sp. z o.o. (hereinafter: “the Merger Plan”).

Accordingly, the Board hereby attaches the Merger Plan drafted in pursuant to Article 499 § 1 of the Polish Commercial Companies Code (hereinafter: “CCC”).

The Issuer also informs that, according to Article 514 § 1 CCC and Article 516 § 6 in conjunction with Articles 516 § 5 and 500 § 2¹ CCC:

1. The Merger Plan will not be reviewed by an auditor;
2. The Merger Plan will not be published in the Court and Commercial Gazette, but instead will be publicly available at no additional cost on the merging companies’ websites;
3. Shareholders of the acquired company will not be allocated shares in the acquiring company, whilst the merger will be executed without increasing the share capital of the acquiring company, and the articles of association of ACTION S.A. are not planned be amended. As the result, the Merger Plan does not include elements indicated in Article 499 § 1(2)-(4) CCC;
4. The acquiring company is a public company required to disclose and make available to its shareholders the semi-annual financial statements in pursuant to relevant provisions regulating public offerings and conditions governing the introduction of financial Instruments to organised trading and public companies. Accordingly, acting in pursuant to Article 499 § 4 CCC, the acquiring company has not prepared a statement containing information on the company's accounting situation for the purposes of the merger;
5. In view of the circumstances indicated in Points 3 and 4, the Merger Plan has not been accompanied by documents listed in Article 499 § 2(2) and Article 499 § 2(4) CCC – concerning the Issuer.